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## FISCAL IMPACT REPORT

SPONSOR Robinson DATE TYPED 3/01/05 HB \_\_\_\_\_

SHORT TITLE Vital Records Copying Fees SB 452/aSFC

ANALYST Hanika-Ortiz

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			\$180.0	Recurring	E-Vitals Fund

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
	\$873.1		Recurring	Day-Care Fund
	\$947.4		Recurring	E-Vital Fund
	\$886.3		Recurring	General Fund

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Commission of Public Records

Department of Health (DOH)

### SUMMARY

#### Synopsis of SFC Amendment

The Senate Finance Committee amendment establishes fees for vital records. The fee for a certified copy of a birth certificate shall be \$15, a court-ordered change to a vital record \$20 and a certified copy of a death certificate \$7.00. The SJC amendment also reduces the amount of revenue fees distributed to the E-Vital Fund to 30%. The original bill had recommended 35%.

Synopsis of Original Bill

Senate Bill 452 amends Section 24-14-29 NMSA 1978 giving authority to the DOH to promulgate rules to establish fees for vital records.

SB 452 seeks to allocate thirty five percent of fee revenue to support the new electronic birth, death and amendments to vital records system known as E-Vitals. The Day-Care Fund would receive thirty five percent of birth record fees, ten percent of the amendments fees and thirty percent of the death record fees. The remaining revenues would revert to the General Fund.

Significant Issues

DOH seeks to establish vital records fees to fund the maintenance of the new electronic, web-based (E-Vitals) system developed for the electronic submission of vital records information. The vital records system is a statewide system involving twenty-six public health field issuance sites, as well as the OMI, funeral homes, hospitals and physicians throughout the state.

**PERFORMANCE IMPLICATIONS**

Supports DOH performance measures to increase data quality as evidenced by the percent of procedures in place ensuring data quality, and to increase the use of health and performance data related to policy and program development.

**FISCAL IMPLICATIONS**

The DOH report \$1.6 million in annual revenues are generated from vital records fees. Currently funds are apportioned between the Day-Care Fund and the General Fund. SB 452 would continue to allocate a portion of fees to both these funds in addition to the E-Vitals Fund. The fee amounts would be set by rule, rather than statute, and any adjustments to fee structure would affect revenues in each Fund.

An initial appropriation of \$1 million for the new E-Vitals system was appropriated through the Computer Enhancement Fund in the 2004 Legislative Session. The \$1 million is not in the DOH FY05 operating budget because the State CIO has not yet certified the project. This certification is anticipated by March 2005, and a budget adjustment request will then be processed to DFA to bring the funds into the DOH operating budget. A vendor has been selected through the request for proposal process, and contract negotiations are underway. The \$1 million dollar appropriation will be used for the contracted vendor and for purchase of new servers for the E-Vitals system.

Further funding will be needed to support the maintenance and future enhancements of E-Vitals. While initial funding for the implementation of the E-Vitals system has been provided, additional funding is required to maintain the system. The portion of vital records fees would provide DOH with the funds necessary to maintain the E-Vitals system after implementation.

The DOH has the following comment:

An increase in the birth record fee from \$10.00 to \$15.00 per record, an increase in the death record fee from \$5.00 to \$10.00 per record and an increase in the record amendments fee from \$10.00 to \$20.00 per record would generate \$2,706.650 million annually. The revenues would be

distributed as follows:

- E-Vitals System -\$947.327 thousand
- Day Care Fund - \$873.057 thousand ( currently at \$858. thousand)
- General Fund - \$886.265 thousand (currently at \$759.185 thousand)

The current fees generate \$1.6 million annually and are distributed as follows:

- Day Care Fund - \$858.000 thousand
- General Fund - \$759.185 thousand

The DOH executive recommendation does not contain any requested funding for the E-Vital system for FY06.

### **ADMINISTRATIVE IMPLICATIONS**

DOH would have the authority to establish vital records fees and reasonable increases, and create venues for public input on fees through the public hearing process necessary to promulgate rules.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

SB 71 amends the same Section including a new Subsection C providing for a \$5 fee to produce a certified copy of stillbirth deposited into the General Fund.

### **TECHNICAL ISSUES**

None

### **OTHER SUBSTANTIVE ISSUES**

The E-Vitals system will greatly reduce the time for registration and issuance of birth and death certificates and changes related to adoptions and paternities.

### **ALTERNATIVES**

The DOH note they could seek system support through the computer enhancement fund process.

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?**

DOH reports vital record fees will remain as enacted in 1987 and DOH would not receive funding via a fee to maintain the E-Vitals web-enabled system.

### **QUESTIONS**

How do proposed fee increases compare to what other states are charging? Is there any financial assistance provided for people who cannot pay?

Do the federal HIPAA rules apply regarding copying fees for health records?  
AHO/yr